

DMN
PRECEDENCE

UNCLAS
CLASSIFICATION

OR COMMCENTER USE ONLY

FROM: THE SITUATION ROOM//TOSCO 127

TO: GENERAL SCOWCROFT

INFO:

DEX

DAC 181

LDX

TTY

GPS

PAGES 2

CITE

DTG: 192250Z

TOR: 2303Z

RELEASED BY: JP

SPECIAL INSTRUCTIONS:

TOSCO 127

75 AUG 19 PM 8:47

WHITE HOUSE
SITUATION ROOM

08-19-75 16:43EDT

N098

R

MIDEAST RNDUP LEAD

JERUSALEM (AP) -- ISRAEL WILL RECEIVE ABOUT \$2 BILLION IN AMERICAN FINANCIAL AID PLUS GUARANTEED OIL SUPPLIES AS PART OF AN INTERIM SINAI AGREEMENT WITH EGYPT, A SENIOR ISRAELI POLITICIAN SAID TODAY.

WASHINGTON ALSO WILL SELL ISRAEL "SOPHISTICATED AND IMPORTANT ARMS" AS PART OF THE AGREEMENT NOW BEING NEGOTIATED, YITZHAK NAVON, A VETERAN MEMBER OF PRIME MINISTER YITZHAK RABIN'S LABOR PARTY, SAID OVER STATE TELEVISION.

A PROGRAM IS BEING WORKED OUT FOR U.S. WAR SUPPLIES TO ISRAEL "AND ABOUT \$2 BILLION, MAYBE MORE" IN FINANCIAL AID, NAVON SAID. HE ADDED THAT THE AID PACKAGE WOULD BE ARRANGED DURING SECRETARY OF STATE HENRY A. KISSINGER'S FORTHCOMING MIDEAST TRIP.

KISSINGER IS SCHEDULED TO LEAVE LATE WEDNESDAY FOR ISRAEL AND PRESIDENT FORD SAID TODAY THAT CHANCES FOR A SINAI AGREEMENT APPEAR "REASONABLY CLOSE."

ISRAEL REPORTEDLY HAS ASKED WASHINGTON FOR \$2.8 BILLION IN FINANCIAL ASSISTANCE.

SPECULATION ON PROVISIONS OF THE PROPOSED SINAI PACT DOMINATED BOTH THE ISRAELI AND EGYPTIAN PRESS.

THE TEL AVIV NEWSPAPER HA'ARETZ REPORTED THAT UNDER THE AGREEMENT THE UNITED STATES WOULD MAKE A SECRET COMMITMENT TO ISRAEL TO ENSURE THAT A BUFFER FORCE REMAINS IN THE SINAI EVEN IF U.N. TROOPS WERE WITHDRAWN IN THE NEXT THREE YEARS.

THE ISRAELI FOREIGN MINISTRY DECLINED COMMENT ON THE REPORT.

AT THE THE U.S. STATE DEPARTMENT, A SPOKESMAN SAID HE COULD NOT COMMENT ON THE ISRAELI REPORT BECAUSE THE UNITED STATES IS CONDUCTING THE NEGOTIATIONS.

OTHER NEWSPAPERS WROTE THAT ANY SECRET UNDERSTANDING WOULD REQUIRE APPROVAL BY THE U.S. CONGRESS.

FOR THE SECOND STRAIGHT DAY, DEMONSTRATORS GATHERED OUTSIDE THE U.S. EMBASSY, PROTESTING THE PROPOSED AGREEMENT AND KISSINGER'S SCHEDULED ARRIVAL THURSDAY.

KISSINGER MET WITH U.S. JEWISH LEADERS IN WASHINGTON AND TOLD THEM A SINAI SETTLEMENT WOULD HELP OFFSET AN ARAB-INITIATED MOVE TO EXPEL ISRAEL FROM THE UNITED NATIONS AND ALSO WOULD IMPROVE ISRAELI PROSPECTS FOR RECEIVING SUBSTANTIAL AMERICAN AID.

RABBI ISRAEL MILLER OF NEW YORK, HEAD OF THE JEWISH DELEGATION, SAID AFTER THE MEETING THAT THE AMERICAN JEWISH COMMUNITY WOULD SUPPORT THE PACT "IF THE ISRAELI GOVERNMENT SUPPORTS IT."

(MIDEAST)

JERUSALEM (UPI) -- AN ISRAELI PARLIAMENTARY LEADER ANNOUNCED TUESDAY THAT EGYPT AND ISRAEL HAD REACHED TENTATIVE AGREEMENT ON A THREE-YEAR NON-AGGRESSION PACT AS PART OF A MIDDLE EAST INTERIM SETTLEMENT IN THE SINAI.

YITZAK NAVON, CHAIRMAN OF ISRAEL'S PARLIAMENTARY FOREIGN AFFAIRS AND DEFENSE COMMITTEE, REVEALED SECTIONS OF THE PROPOSED TREATY ON NATIONAL TELEVISION BUT SAID 20 CLAUSES MUST STILL BE KEPT SECRET.

"I FAVOR THIS AGREEMENT BECAUSE IT IS GOOD FOR THE JEWS," HE SAID.

HE SAID EGYPT AND ISRAEL WILL AGREE TO PURSUE FURTHER MEANS TO REACH AN OVERALL PEACE, AND THAT THE ACCORD WILL GO INTO EFFECT AS SOON AS IT IS SIGNED.

HE SAID THE PACT IS IN THREE PARTS, INCLUDING A DIRECT AGREEMENT BETWEEN ISRAEL AND EGYPT, AN INDIRECT ACCORD BY BOTH SIDES THROUGH THE UNITED STATES AND AN AGREEMENT BETWEEN ISRAEL AND THE UNITED STATES.

NAVON DID NOT MENTION ANYTHING ABOUT HOW FAR ISRAEL WILL WITHDRAW IN SINAI, HOW FAR EGYPTIAN FORCES WILL ADVANCE, OR WHETHER AMERICAN CIVILIAN TECHNICIANS WILL BE MANNING SPY INSTALLATIONS IN AND NEAR THE MITLA AND GIDI MOUNTAIN PASSES IN SINAI.

THE ANNOUNCEMENT CAME AS SECRETARY OF STATE HENRY KISSINGER HELD LAST-MINUTE NEGOTIATIONS IN WASHINGTON TO NAIL DOWN AN AGREEMENT BEFORE KISSINGER'S NEXT MIDDLE EAST DIPLOMATIC PEACE SHUTTLE BEGINS WEDNESDAY.

UPI 08-19 04:44 PED